

***Full Cost Decision Memorandum: Workforce on projects with no funding (WF-11)***

***Issue:***

How does the Center handle workforce charging to projects with no funding?

***Source / reference:***

LaRC Full Cost Implementation Team (2003-2004)  
LaRC Office of the Chief Financial Officer (OCFO)

***Background:***

There are several scenarios relative to the issue of workforce that may seek to charge labor against a project with no funding. For example, a project may be approved for funding, but the spending authority has not yet been received at the Center due to continuing resolutions and/or other factors. Another situation may include a project that is approved at the start of the fiscal year (i.e. proposal selected and awarded) but there is a significant delay in funds receipt (possibly 60 days or more). These type of circumstances complicate the labor charging process for approved project activities.

***Options:***

- Option 1: Charge to Center G&A transition account until funds arrive
- Option 2: Utilized the labor fund center “float” the charges until funds arrive.
- Option 3: Block charges in WebTADs and allow no charges until funds arrive
- Option 4: Step Down Approach including many of the above options

***Decision:***

Option 4. Overall, civil service FTE should not charge time to WBS elements with no funding. These project WBS elements should be closed to labor in SAP until funding arrives. In that regard, project managers should send a request to their corresponding OCFO/Resource Management analyst to close the WBS elements to labor. Once charges have been made inaccurately there is a three pay period window to correct. In that regard, it is the responsibility of project managers to monitor labor charges against project WBS and communicate necessary changes to employees/supervisors. The following step-down process should be used alleviate charging labor to projects with no funding.

1. Request funding from Headquarters to support approved project activities
2. Re-assign FTE to another project and do not work on the unfunded project
3. Charge to G&A as a last resort after receiving approval from Center management and OCFO

***Approved by LaRC CFO (Ken Winter) 10/17/03***

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